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Report Highlights:

Post maintains Algeria's cereal planted area and production forecast and estimates. For the coming 2025/26 crop season, satellite images highlight dryness concerns similar to the conditions experienced in recent years. Trade forecast remains elevated as the Algerian Office of Cereals (OAIC) intensifies purchases on international markets.

Crop Planted Area and Production Update

Current Season Planted Area and Production

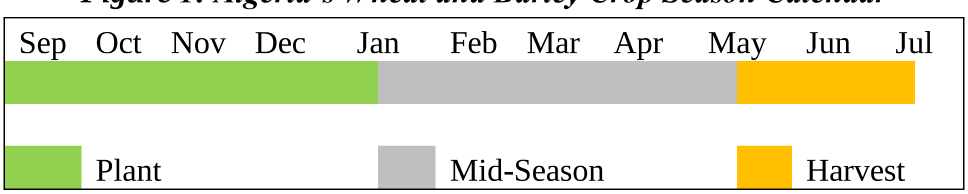
For 2024/25 marketing year (MY), Post maintains wheat production estimate of three million metric tons (MMT) and barley production estimate of 1.2 MMT. Post production estimate for the current season takes into account crop conditions, which are similar to those experienced across Algeria's main production areas last season.

The Ministry of Agriculture (MOA) has not released any detailed production figures for the 2023/24 season or estimates for the 2024/25 MY completed this summer. Algerian press articles reported in March 2024 the national Council of Cereals' forecasts for the summer 2024 (equivalent to the USDA 2024/25 MY) cereal harvest (wheat and other crops such as barley), would reach 40 million quintals, equivalent to 4 MMT. However, since then, there was no confirmation of the production numbers. As outlined in the previous update, before the end of the harvest campaign, the Minister of Agriculture, Youcef Chorfa indicated that in the current season, the abundant production of durum wheat saved Algeria $1.2 billion in wheat imports and augured a good grain crop. Nevertheless, Post estimate discounts MOA's initial assessment due to the below average crop conditions shown in satellite imagery and anecdotal reports from farmers.

Planted Area Projections for the 2025/26 Marketing Year

Post maintains its estimate and forecast for Algeria's wheat plated area at just over two million hectares (ha) for the entire country for both the current and next MY. Post forecasts and estimates barley planted area at one million ha for both MYs. Post will maintain its estimates until the Ministry of Agriculture publishes the figures of the agricultural census that was conducted June-August 2024. Post believes that commercial scale crop farming is growing in the Southern arid zones, but so far, not enough to make a noticeable impact on total area planted.

Figure 1: Algeria's Wheat and Barley Crop Season Calendar



Source: Post Algiers Chart

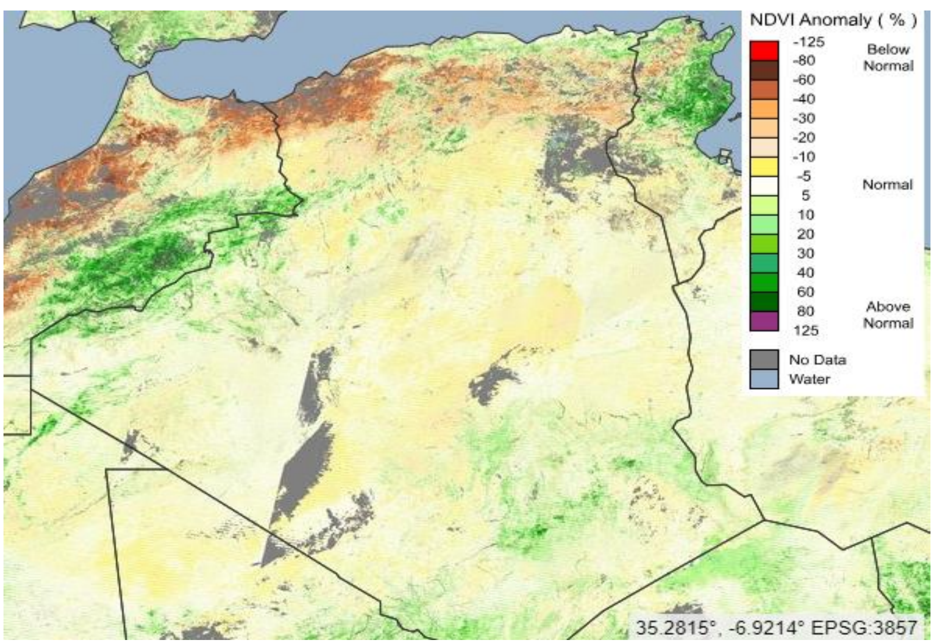
Post total wheat and barley area planted estimate is in line with the Ministry of Agriculture figures. [On October 1](), 2024, Minister of Agriculture, Youcef Chorfa announced during the launch of the 2024/2025 planting season that just over three million hectares will be allocated to cereals for this season. According to him, this area was determined on the basis of the contracts signed between the stakeholders and the MOA. Durum and barley will make up the largest part of the total area (almost 85 percent), and the remaining areas will be devoted to bread wheat and oat crops. In addition, 4.2 million quintals of certified seeds will be provided to farmers to meet the demand of the current planting campaign. The minister indicated that up to October 1, 2024, 840,000 hectares were already ploughed nationwide in preparation of October planting.

During his allocution, the Minister indicated that the challenge for this season is to make 2025 the last year for durum wheat imports, and 2026 the last year for barley imports as instructed by the President of Algeria, Abdelmadjid Tebboune. As outlined in the previous report, President Tebboune has committed in his inauguration speech, after his reelection on September 7, 2024, to reaching full self-sufficiency in barley and corn production by 2026.

2025/26 Season Weather and Soil Moisture Update

Algerian farmers began sowing the 2025/26 MY crops in the fall of 2024. So far, moisture conditions for rain irrigated fields have been largely subpar. The Normalized Difference Vegetation Index (NDVI) chart by region shows that the vegetation index is below normal average in the west and almost all of Algeria's highlands, and normal in Algeria's Mediterranean central zone and on the east coast. Vegetation conditions overall look sparse in northern Algeria, the geographic area where most of the wheat and barley production is concentrated. The satellite image shows dry pockets lying in the west, west coast and highlands, as well as central and eastern highlands. As was the case in several previous seasons, these regions currently are missing substantive rain.

Chart 1: Normalized Difference Vegetation Index (NDVI) as of January 7, 2025

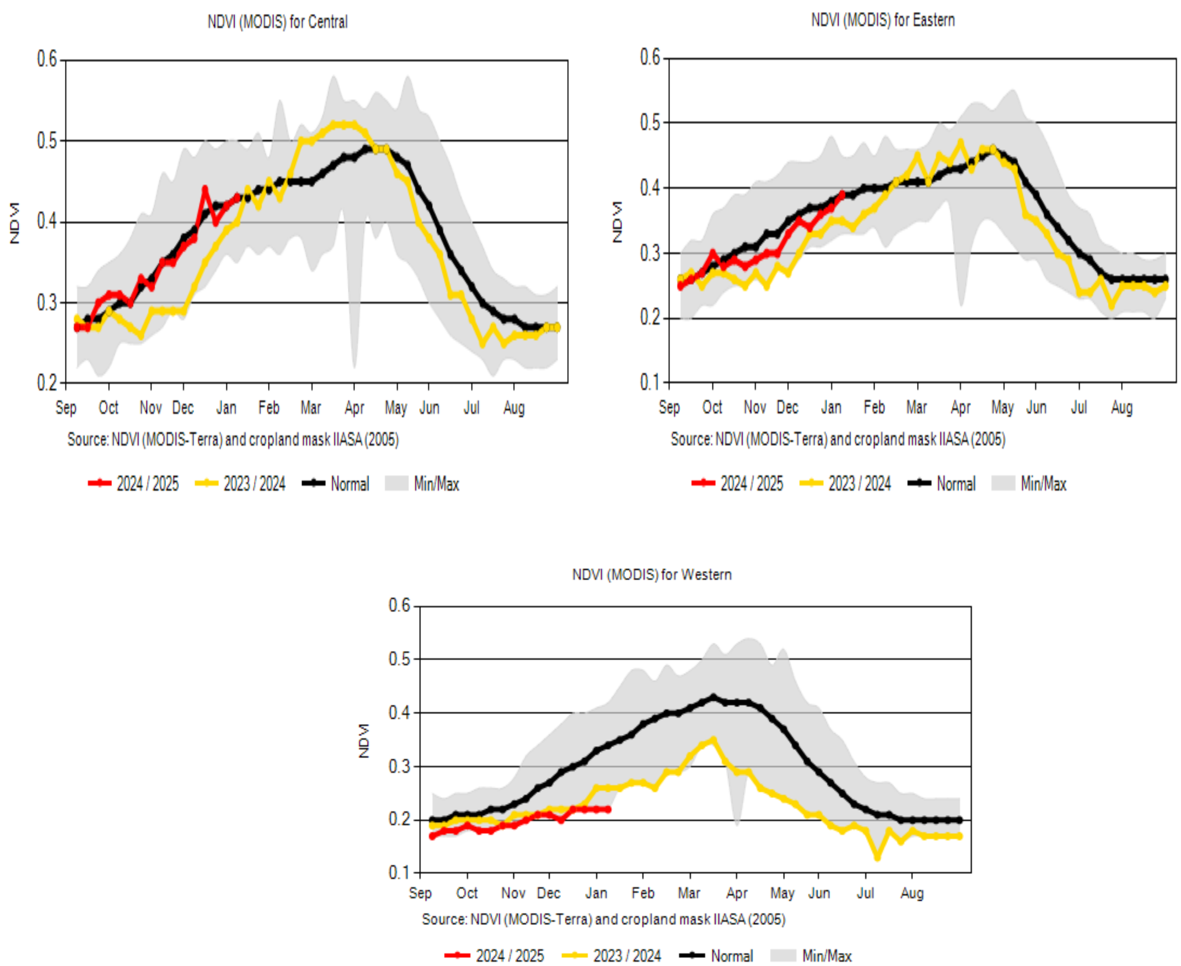


Source: https://glam1.gsc.nasa.gov/

Total wheat production areas by region are organized as follows: most of the wheat is produced in the eastern region (35 percent), 31 percent is produced in the western region and 26 percent is produced in the central region areas. Barely is mostly produced in western areas (40 percent), 31 percent is produced in the eastern region, 14 percent in the desert areas and only 12 percent is produced in central areas.

The charts below depict the historical NDVI by region for wheat and barley areas as of early January 2025. The charts show that vegetation conditions in the central and east of Algeria were above last season's level from September through December. According to the chart, central areas conditions show normal average standards for the region while the eastern region seems little lower but still above last year's level. The vegetation conditions remain currently below the normal average level and at the lower limit of the Min/MAX range (minima/maxima monthly standards for the region) in the western and highlands (high plateau areas), as well as last year's conditions.

Chart 2: Normalized Difference Vegetation Index (NDVI) by region in the cereal areas (as last updated January 2, 2025)

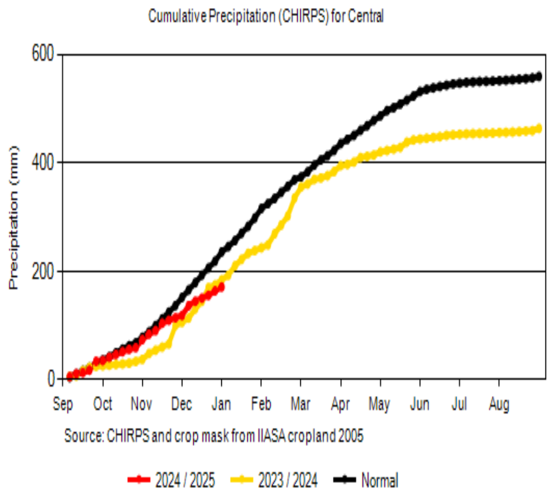


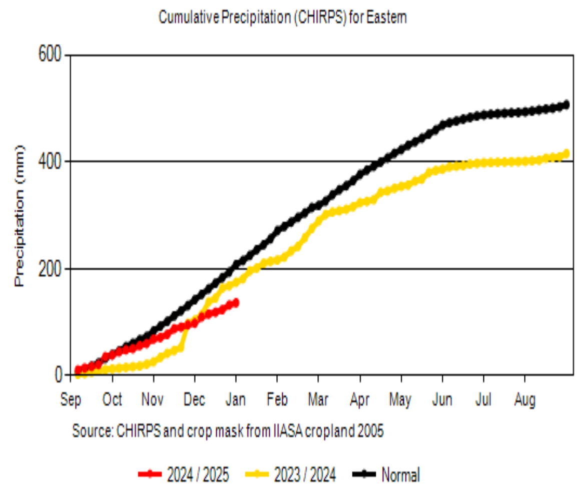
Source: Crop Explorer (https://ipad.fas.usda.gov/cropexplorer/)

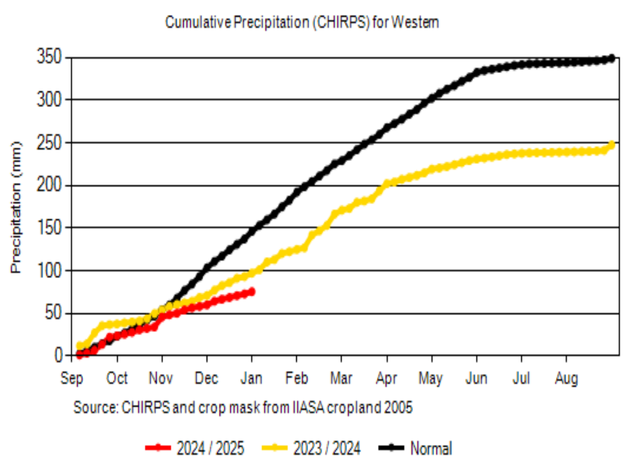
**Note that the 2024/25 red line refers to the crop planting, growing period, and harvest dates, and not the USDA marketing year. As such, the 2024/2025 redline reflects crop conditions for the 2025/26 MY crop.*

The USDA Crop Explorer Cumulative Precipitation charts below show that the level of precipitation for the 2025/26 MY started at the same level as the season prior in the eastern, central and the western areas of the country. The level of precipitation this season is above last year's level in the central and eastern areas through December, while the level remains below last year's levels in the western areas. Similar to last year, the level remains overall below the normal average in all the three regions.

Chart 3: USDA Crop Explorer Cumulative Precipitation Charts by region
(Last updated December 31, 2024)





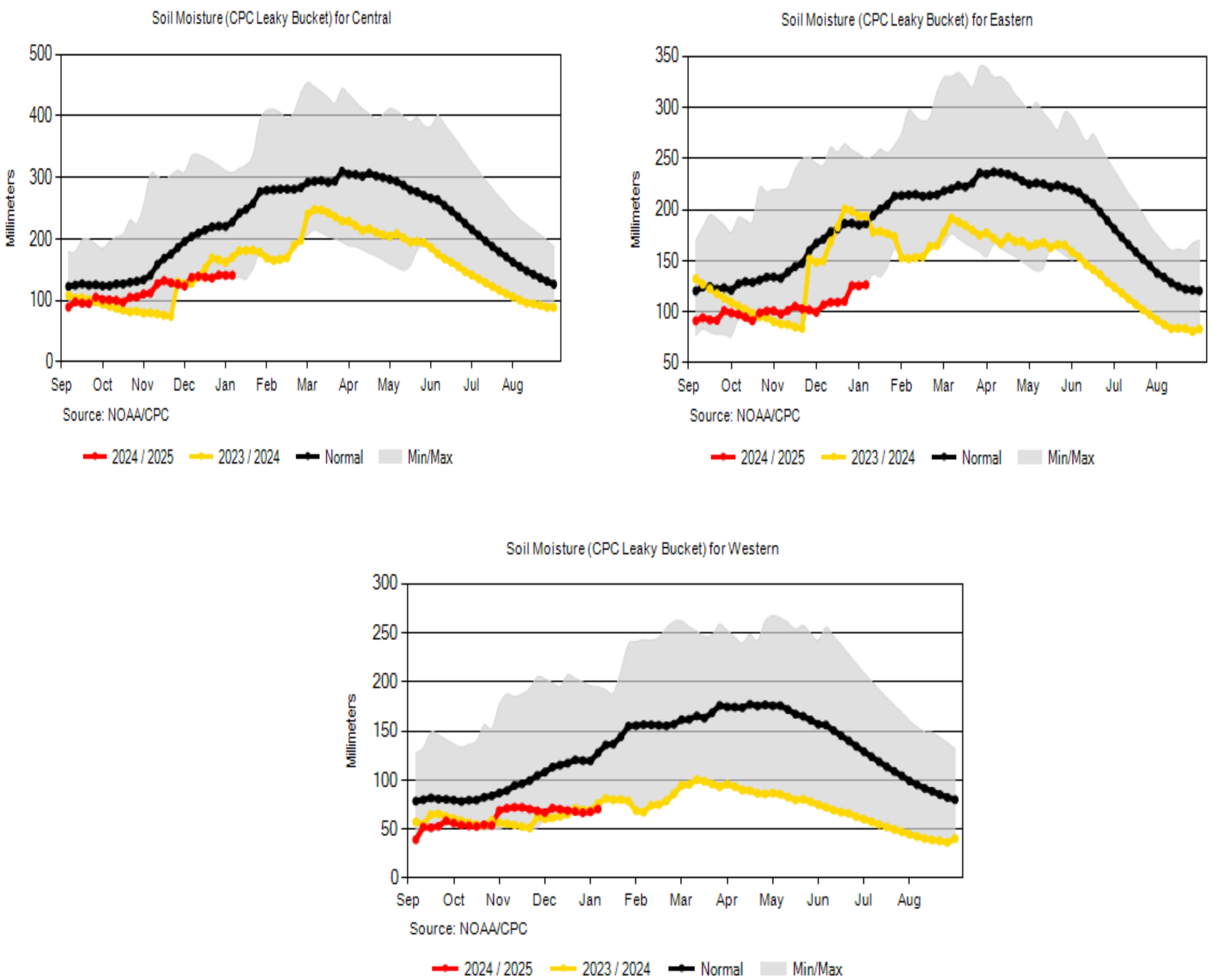


Source: https://ipad.fas.usda.gov/cropexplorer

***Note that the 2024/25 red line refers to the crop planting, growing period, and harvest dates, and not the USDA marketing year. As such, the 2024/2025 redline reflects crop conditions for the 2025/26 MY crop.*

Overall, the level of precipitation is not sufficient, and it is reflected in the soil moisture charts below in all the three areas. Notably the current soil moisture levels are the same as Algeria experienced in the previous season. If substantial rain resumes in January, this will allow precipitation levels to recover. The charts below show overall soil moisture below the normal average standards at the limit of the Min/Max range for all the three regions, highlighting serious dryness concerns again for the 2024/25 (MY 2025/26) crop season similar to the previous years. Usually, eastern and central regions receive more rain compared to the western areas that are drier.

Chart 4: Algeria: USDA Crop Explorer Soil Moisture Chart by region
As of January 05, 2025



Source: Crop Explorer (https://ipad.fas.usda.gov/cropexplorer/)
**Note that the 2024/25 red line refers to the crop planting, growing period, and harvest dates, and not the USDA marketing year. As such, the 2024/2025 redline reflects crop conditions for the 2025/26 MY crop.*

Consumption Update

Wheat is the major staple food and represents 60 percent of the food ration in Algeria. Post is not aware of new agreements to construct additional mills or expand the old mills. The government continues to encourage consumers to decrease their consumption of bread to avoid waste and decrease the demand for bread (common) wheat thus reducing imports. However, with bread prices starting at around 10 U.S. cents per baguette, Post anticipates that wheat consumption will remain relatively stable in the near future. Post forecasts wheat consumption at 11.35 MMT for MY2024/25, which represents a small uptick on the last season's estimate of 11.20 MMT.

Barley remains mainly used for animal feed with a small portion used for bread and couscous for human consumption. As such, barley consumption is a function of pasture conditions. Poor pasture conditions drive increase in demand for barley. If the current dry conditions remain, Post anticipates that barley demand may increase and revises its estimates at 1.65 MMT and 1.60 MMT for MY 2023/24.

Trade Update

Forecast Trade to Remain Elevated

Post maintains Algeria's 2024/25 MY wheat import forecast at 9 MMT down slightly on the blockbuster MY 2023/24 import estimate of 9.4 MMT. Post maintains MY 2022/23 wheat import estimate at 8.6 MMT. Post estimate and forecast take into account official trade data as well as additional data from Russia and Mexico. Post forecast anticipates that Algeria's import levels will remain elevated considering the continuing strong pace of purchases by the government-run procurement agency, the Algerian Office of Cereals (OAIC). Post anticipates that Algeria will continue to import wheat to build up stocks and make up for the existing shortfall in production from the previous poor crops. Post forecast for 2024/25 is also based on the projected below average production and stable consumer demand.

Algeria Shores Up Wheat Reserves Through Imports

Algeria's press reports report that the OAIC is stepping up and intensifying wheat purchases on international markets, buying larger than average volumes to shore up stocks and secure food supply while consumption continues to grow with the population growth. In recent months, the OAIC has made several international purchases, mostly for optional milling wheat (bread wheat), with smaller quantities of durum wheat as well. In a tender which closed December 24, 2024, OAIC purchased 1.17 MMT of bread wheat. According to the trade reports, the origin could be from the Black Sea countries of the EU and Ukraine, sand at least some volumes are likely to come from Russia. Shipments are scheduled for February-March 2025.

Trade Data Monitoring (TDM) data – based on customs information from markets exporting to Algeria – shows that in the first six months of the 2024/25 MY (July through December 2024), Algeria imported 1.80 MMT of wheat, as compared to 2.48 MMT imported in July-December 2023. However, TDM data does not reflect Algeria's wheat imports from Russia. In total, according to data from Reuters Refinitiv, Russia has shipped over 1.68 MMT of wheat to Algeria in the first half of the MY, surpassing Europe which has delivered just over one MMT in the same timeframe. As such, Algeria's wheat imports in the first six-month of 2024/25 amount to over 3.6 MMT, up some 44 precent on last season at this time.

Table 2: Algeria Six Months (July-December) Wheat Imports by Origin

Reporter	**July-Dec 23**	**July-Dec 24**	**% D**
EU 27 External Trade	1,698,062	1,086,584	-36.01
Canada	229,767	84,051	-63.42
Ukraine	31,967	454,441	1321.59
United States	189,637	-	-100
Turkey	279,145	178,116	-36.19
Russia	-	-	0
United Kingdom	-	-	0
Argentina	-	-	0
Australia	51,737	-	-100
Mexico	-	-	0
Belarus	-	-	0
Others	-	64	
Total	**2,480,315**	**1,803,256**	**-27.3**

Source: Data from Trade Data Monitor, wheat volumes in WGE. Note that data does not reflect Russian trade figures.

The Reuters trade data is in line with reports from the Russian trade mission to Algeria, which announced that Algeria is among the top five importers of Russian wheat, along with Egypt, Saudi Arabia, Iran and Turkey. The Russian Trade Mission indicated that the OAIC purchased 510,000 MT of Russian wheat in a tender on October 8, 2024. The trade mission also reported Algeria's purchase of 978,000 MT of wheat from Russia in July-September. The mission indicated that Russian grain deliveries to Algeria could reach three MMT by the end of the season.

To recall, in 2020, Algeria relaxed its wheat import specifications to allow 0.5 percent bug-damaged grain, up from the previous 0.2 percent, to allow wheat from Black Sea origin, which allowed Russian wheat to enter the Algerian market since 2021. Russian wheat has taken market share from other origins on the Algerian market, notably French wheat, which has been in sharp decline in recent years in its traditional markets, such as North Africa.

Overall, shipments from Europe, Canada and Turkey are down respectively by 36 percent, 63 and 36 percent in the first six months of this marketing year compared to what was received during the same period last season. Meanwhile, Ukraine has significantly increased its wheat shipments to Algeria, despite the ongoing conflict in the Black Sea region. The largest decrease in the total volume of shipments has been from the United States and Canada (the traditional durum supplier to Algeria). The decrease in supplies from traditional partners has been couched to an extent with strong shipments from Ukraine.

TDM data does not reflect Algeria's wheat imports from Mexico as well. Post notes that FAS Mexico reports that Algeria is the largest export destination for Mexico's durum wheat, with exports wavering between 250,000 MT and 500,000 MT in the last several years. However, durum exports to Algeria in this marketing year will be minimal due to a severe drought in Mexico's northwest region, the largest producer of wheat nationwide, which might lead Mexico to import durum wheat from elsewhere in the second half of 2025.

Durum Wheat Imports Unlikely to Halt.

In Algeria, wheat is a staple commodity largely used for production of bread, couscous and pasta. Durum represents the 20 percent remaining from wheat imports as bread wheat shares about 80 percent of the total wheat imports. OAIC has also purchased a large quantity of durum wheat in an international tender on Wednesday, December 18, according to Reuters, citing traders. Traders indicated that OAIC's durum wheat purchase is estimated at between 350,000 and 400,000 MT, with the possibility of reaching 500,000 MT. Shipment scheduled for March and April 2025. The origin is expected to be from Canada, the United States and Australia. Algeria's last purchase of durum wheat dates back to November 21, according to the same source. This announcement comes in a context marked by the government's decision not to import durum wheat in 2025.

As mentioned above and outlined in previous reports, the minister of agriculture reiterated President Tebboune instruction regarding the halt of durum import by 2025 and barley and corn imports by 2026. Durum imports typically increase when domestic crop is affected by drought. Post believes that durum wheat imports would decline in the event of a better than average harvest, or if Algeria builds up larger durum wheat stock – especially given the robust pace of imports and the government decision to expand stock facilities. However, Post does not anticipate that even if all factors align perfectly, Algeria's durum wheat imports will dry up completely in the near seasons.

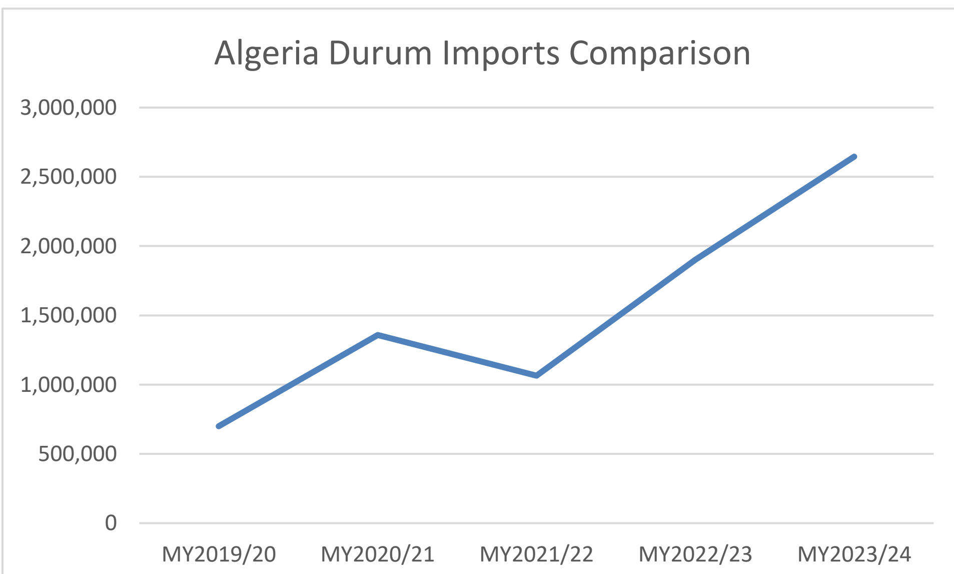
Table 3: Algeria Durum Imports by Origin Comparison in MT

Reporter	MY2019/20	MY2020/21	MY2021/22	MY2022/23	MY2023/24
Canada	372,615	968,874	614,183	1,201,901	875,517
Turkey	-	-	-	-	474,826
United States	62,723	125,127	33,900	193,251	309,233
Australia	-	-	52,148	-	166,086
EU 27 External Trade	8,650	41,097	156,223	31,491	152,238
Ukraine	-	5,400	136	14,270	-
Mexico	255,638	218,470	209,100	-	-
Total	**699,626**	**1,358,968**	**1,065,690**	**1,440,913**	**1,977,900**

Source: Data from Trade Data Monitor

The TDM data in the table 3 above reflected in the chart below show that Algeria's durum wheat imports have actually increased, rather than decreased in recent seasons. Post estimates that accounting for Mexico's missing data and very strong pace of sales to Algeria, in MY 2023/24 Algeria imported over 2.64 MMT of durum wheat, and that Algeria imported an annual average of 1.53 MMT of durum wheat in the last five years.

Chart 5: Algeria Durum Imports Comparison



Source: Data from TDM, Chart OAA Algiers

The TDM data in the table 3 above show that the main supplier of durum to Algeria has been Canada for the last five years with (44.26 percent of the durum imports in MY 2023/24), followed by Turkey, the United States, Australia and EU countries.

Estimate for 2023/24 Wheat Imports Shows Record Volumes

Similar to the current season, for MY 2023/24, Post estimate of 9.4 MMT in imports takes into account the poor domestic harvest and trade data showing robust import volumes. The OAIC is the sole importer of wheat into Algeria.

TDM data is based on customs information from markets exporting to Algeria. Note that Algeria does not release the results of its tenders. Reports are based on trade estimates. Post estimates that Russia wheat exports to Algeria exceed 2.3 MMT in MY 2022/23 and MY 2023/24 based on Reuters Refinitiv data. Post believes that Mexico's exports to Algeria are on the order of 460,000 to 668,000 MT respectively for each MY based on private industry reports. Taking into account the likely missing wheat exports from Russia and Mexico, Algeria's wheat imports outpaced the previous marketing years rather than declined as shown in the above trade table.

Table 1: Algeria PSD Wheat Imports by Origin in Wheat Grain Equivalent (WGE)

Reporter	**MY2019/20**	**MY2020/21**	**MY2021/22**	**MY2022/23**	**MY2023/24**
EU 27 External Trade	6,080,006	5,941,183	5,356,578	4,286,068	3,936,622
Canada	372,615	1,001,560	614,184	1,201,903	875,517
Ukraine	34,833	13,000	466,912	181,189	633,486
United States	274,448	187,875	33,900	193,251	309,233
Australia	-	-	52,148	30,348	166,086
Brazil	-	-	-	31,500	-
Argentina	-	92,360	815,680	-	-
Russia	-	28,502	363,454	-	-
United Kingdom	95,000	-	-	58,855	-
Uruguay	-	31,498	63,748	-	-
Turkey	860	219	1,731	16,095	491,513
Mexico	255,638	218,470	252,850	-	-
Others	856	31	169	5	6
Total	**7,114,256**	**7,514,698**	**8,021,354**	**5,999,214**	**6,412,463**

Source: Trade Data Monitor, LLC

Forecast for MY 2024/25 Barley Trade

Post increases its forecast and estimate for barley imports for MY 2024/25 to 700 thousand metric tons and at 650 thousand MT for MY 2023/24. Post forecast and estimate take into accounting the likely missing data from Russia, as well as poor domestic crop conditions, which look similar to the dry conditions that plagued barley harvest in the previous year. In addition, the Algerian Office of Feed

Gains (ONAB) seems to be purchasing barley and corn in international tenders similar to OAIC to fulfill feed stocks and to meet the animal feed manufacture industry needs.

The forecast for barley imports is based on the projected production and demand. Algeria's barley demand is driven by the livestock industry, which uses barley for feed. Typically, Algeria's barley imports are strongly correlated with domestic production of the crop. In an event of poor harvest, imports tend to increase, while in years with ample production imports tend to decrease.

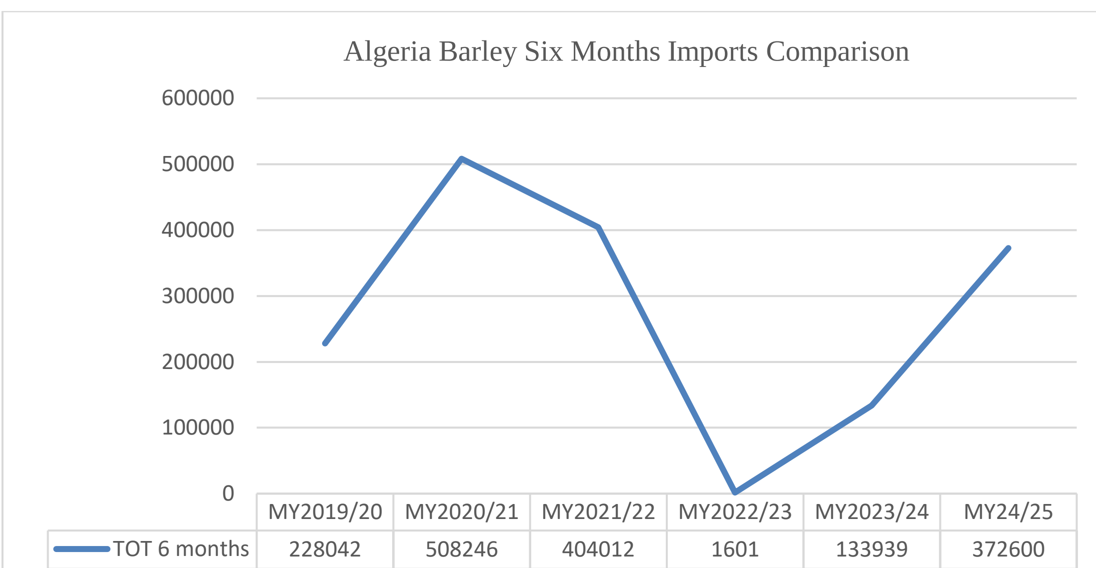
Table 4: Algeria Barley Total Imports Comparison in MT

Reporter	**MY2019/20**	**MY2020/21**	**MY2021/22**	**MY2022/23**	**MY2023/24**
EU 27 External Trade	272,060	561,156	600,566	90,005	434,320
Ukraine	274,949	78,903	83,081	-	38,802
Argentina	-	-	88,340	-	-
United Kingdom	11,830	147,066	-	-	-
Russia	-	47,300	-	-	-
Turkey	1,277	-	444	2,983	2,832
Total	**560,116**	**834,425**	**772,431**	**92,988**	**475,954**

Source: Data from Trade Data Monitor

Data from TDM shows in the chart below that in July-December 2022 and 2023, Algeria received less barley compared to what was received by this time in MY 2019, 2020 and 2021 that were bad crops years almost similar to the recent years. On average, Algeria's imports of barley stand at around 275,000 MT in the first six months of the MY.

Chart 6: Algeria Barley (July-December) Imports Comparison



Source: Data from TDM, Chart OAA Algiers

Post believes that there may also be a lag in data reporting from countries shipping barley to Algeria. Some data may be missing from Russian exports of barley to Algeria as well. Post also anticipates that barley imports from the Southern hemisphere, which harvests and begins to export at the end of its summer and into the fall season, may make up the shortfall from other suppliers seen so far during this MY.

The figures above show barley imports kept increasing from 2019 to 2021 due to poor crops affected by consecutive dry years. In 2022, barley output was good according to farmers which led to a decrease in imports. On average, Algeria imported about 550,000 MT annually in the last five years. As already noted, barley imports are correlated with domestic production and are driven by the livestock industry.

The EU-27 continued to be the strongest supplier of barley to Algeria in MY2023/24. Meanwhile, imports from the United Kingdom and Argentina completely zeroed out.

Wheat	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jul 2022		Jul 2023		Jul 2024	
Algeria	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1800	2075	1800	2075	1800	2075
Beginning Stocks (1000 MT)	4351	4351	5081	5401	5531	6296
Production (1000 MT)	3600	3600	2700	2700	3000	3000
MY Imports (1000 MT)	8700	8600	9500	9400	9000	9000
TY Imports (1000 MT)	8700	8600	9500	9400	9000	9000
TY Imp. from U.S. (1000 MT)	193	193	309	0	0	0
Total Supply (1000 MT)	16651	16551	17281	17501	17531	18296
MY Exports (1000 MT)	0	0	0	5	5	0
TY Exports (1000 MT)	0	0	0	5	5	0
Feed and Residual (1000 MT)	70	50	50	50	50	50
FSI Consumption (1000 MT)	11500	11100	11700	11150	11900	11300
Total Consumption (1000 MT)	11570	11150	11750	11200	11950	11350
Ending Stocks (1000 MT)	5081	5401	5531	6296	5576	6946
Total Distribution (1000 MT)	16651	16551	17281	17501	17531	18296
Yield (MT/HA)	2	1.7349	1.5	1.3012	1.6667	1.4458
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Wheat begins in July for all countries. TY 2024/2025 = July 2024 - June 2025						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Table 4: Barley, Production, Supply and Distribution (Source: PSD Post)

Barley	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jul 2022		Jul 2023		Jul 2024	
Algeria	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1025	1025	1025	1025	1025	1025
Beginning Stocks (1000 MT)	326	326	436	136	261	211
Production (1000 MT)	1400	1400	1025	1025	1200	1200
MY Imports (1000 MT)	110	110	650	650	700	700
TY Imports (1000 MT)	180	180	900	344	600	500
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1836	1836	2111	1811	2161	2111
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	1150	1450	1350	1450	1400	1500
FSI Consumption (1000 MT)	250	250	500	150	350	150
Total Consumption (1000 MT)	1400	1700	1850	1600	1750	1650
Ending Stocks (1000 MT)	436	136	261	211	411	461
Total Distribution (1000 MT)	1836	1836	2111	1811	2161	2111
Yield (MT/HA)	1.3659	1.3659	1	1	1.1707	1.1707
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Barley begins in October for all countries. TY 2024/2025 = October 2024 - September 2025						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Attachments:

No Attachments